

FILED

JAN 29 2015

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

CARMELITA REEDER SHINN, CLERK
U.S. DIST. COURT, WESTERN DIST. OKLA.
BY , DEPUTY

(1) UNITED STATES *ex rel* SOUTHWIND)
CONSTRUCTION SERVICES, LLC,)

FILED UNDER SEAL

Plaintiff/Relator,)

CIV-15-0102

Case No.

v.)

(2) THE ROSS GROUP CONSTRUCTION)
CORPORATION,)

(3) THE ROSS GROUP, LLC)

(4) RED CEDAR ENTERPRISES, INC.,)

JURY TRIAL DEMANDED

(5) PENTACON, LLC,)

(6) C3, LLC, and)

(7) JOHN DOES 1-5)

Defendants.)

**COMPLAINT FOR VIOLATIONS OF FALSE CLAIMS ACT,
RICO, AND OTHER STATE-BASED CAUSES OF ACTION**

The United States of America ("Government"), by and through *qui tam* plaintiff/relator, Southwind Construction Services, LLC ("Southwind"), for its action against defendants, The Ross Group Construction Corporation and The Ross Group, LLC (referred to collectively as "TRG"), Red Cedar Enterprises, Inc. ("Red Cedar"), PentaCon, LLC ("PentaCon"), and C3, LLC ("C3") and John Does 1-5 (all of whom will be referred to collectively as "Defendants"), pursuant to 31 U.S.C. §§ 3729-3732, the False Claims Act ("Act"), and other federal and state-based causes of action, alleges and states as follows:

PARTIES

1. Southwind is an Oklahoma limited liability company authorized to and transacting business in the State of Oklahoma.

2. TRGCC is an Oklahoma corporation transacting business throughout the United States, including within this judicial district, that can be served with process via its registered agent, John E. Harper, 124 East 4th Street, Suite 400, Tulsa, Oklahoma 74103.

3. TRG is an Oklahoma limited liability company transacting business throughout the United States, including within this judicial district, that can be served with process at its Oklahoma City, Oklahoma, office, 620 West California Avenue, Oklahoma City, Oklahoma 73102-2418.

4. Red Cedar is a foreign corporation transacting business throughout the United States, including within this judicial district, that can be served with process via its registered agent, Troy Lee Littleaxe, 418 G Street South East, Miami, Oklahoma 74354.

5. PentaCon is an Oklahoma limited liability company transacting business throughout the United States, including within this judicial district, that can be served with process via its registered agent, John E. Harper, 124 East 4th Street, Suite 400, Tulsa, Oklahoma 74103.

6. C3 is an Oklahoma limited liability company transacting business throughout the United States, including within this judicial district, that can be served with process via its registered agent, John E. Harper, 124 East 4th Street, Suite 400, Tulsa, Oklahoma 74103.

7. John Does 1-5 are other individuals, businesses and/or enterprises established by and/or conspiring with one or more of the Defendants: a) to bid on and obtain contracts TRG is otherwise ineligible to receive from the Government; b) that have knowingly

submitted false and/or fraudulent certifications, representations, records, statements and/or claims to the Government, thereby violating the Act; and, who operate, manage and participate in the conduct and affairs of a common enterprise engaged in a pattern of racketeering activities.

JURISDICTION AND VENUE

8. Venue and jurisdiction are proper in this Court pursuant to 31 U.S.C. § 3732(a), and 28 U.S.C. § 1331. This Court also possesses supplemental jurisdiction under 28 U.S.C. § 1367(a).

9. In order to receive contracts from the Government, Red Cedar has expressly and/or impliedly waived any sovereign immunity protection that might otherwise apply. Moreover, the Act is a statute of general applicability that applies to Indian tribes and tribal-owned entities, granting the Government authority to regulate Red Cedar's conduct.

10. Southwind is the original source of any publicly disclosed information upon which the allegations and claims herein are based. Prior to any public disclosure, Southwind voluntarily disclosed to the Government the information upon which the allegations and claims herein are based, and Southwind has knowledge independent of and materially adding to any publicly disclosed information. Southwind has personally gathered all the documentation substantiating the allegations herein, and has voluntarily provided all such information to the Government prior to the filing of this action.

FACTS GIVING RISE TO THIS ACTION

11. Southwind is a local construction company that is qualified to bid on and receive contracts from the Government set aside for legitimate small businesses under the Small Business Act, 15 U.S.C. § 14(a), *et seq.*

12. On June 26, 2012, Southwind filed a size protest with the Government and the Small Business Administration (“SBA”) concerning the intended award to PentaCon of a contract for general construction services that had been set aside for small businesses, Solicitation No. W912BV-12-R-0012, and which was governed by the size standard for general construction services, set forth in the North American Industry Classification System (“NAICS”), NAICS Code 236220. Southwind presented to the SBA documented evidence that PentaCon was directly controlled by and affiliated with TRG and/or TRGCC (hereafter referred to collectively as “TRG”), and that PentaCon was being used by TRG to bid on and obtain contracts it was ineligible to receive from the Government. The combined average annual receipts of TRG and PentaCon (as well as the other companies controlled by TRG) greatly exceeded the size limitation in NAICS Code 236220, thereby rendering PentaCon ineligible for award. Southwind also discovered, and reported to the SBA, that C3 was/is being controlled and operated by TRG in the same manner that it was/is using PentaCon -- as a front to bid on and obtain contracts TRG is not eligible to receive from the Government.

13. After filing its protest, PentaCon withdrew its offer on Solicitation No. W912BV-12-R-0012, and advised the SBA that it would no longer represent itself as “small”

for the purposes of obtaining contracts set aside for legitimate, small and disadvantaged business concerns. Consequently, the SBA declared Southwind's protest moot.

14. On August 27, 2014, Southwind filed another size protest with the Government and the SBA challenging the intended award of a Government contract to Red Cedar, Solicitation No. W912BV-14-R-0064. As with PentaCon and C3, Red Cedar was/is directly controlled by and affiliated with TRG, and was/is being used by TRG to bid on and obtain contracts set aside for legitimate, small and disadvantaged business concerns. To avoid an adverse size determination, Red Cedar withdrew its offer on Solicitation No. W912BV-14-R-0064 (following the same pattern and practice as PentaCon in 2012), and instructed the SBA to dismiss Southwind's protest as moot. During the course of its investigation into the intended award to Red Cedar, Southwind learned that PentaCon was (and is) still obtaining contracts set aside for small businesses, contrary to its earlier promise to the SBA to no longer hold itself out as a small business concern.

15. Southwind discovered, and reported to the SBA, that TRG employees were frequently communicating in writing to Government officials and third parties on behalf of PentaCon, Red Cedar and C3 using the following e-mail addresses:

<u>Persons:</u>	<u>Associated E-Mail Addresses:</u>
Nate Ahlberg	nate.ahlberg@trgcc.com
Brian Beck	proposal@redcedarconst.com, brian.beck@trgcc.com
Thom Cole	thom.cole@pentacon-llc.com

Michael Cheney	m i c h a e l . c h e n e y @ r e d c e d a r c o n s t . c o m , michael.cheney@trgcc.com
Jonathan Drum	jon.drum@redcedarconst.com, jon.drum@trgcc.com
Eli Haskett	proposal@redcedarconst.com, proposal@pentacon-llc.com, eli.haskett@trgcc.com, proposal@c3-llc.com
Tracey Hembree	proposal@pentacon-llc.com
John Hoggatt	proposal@redcedarconst.com, john.hoggatt@trgcc.com; john.hoggatt@redcedarconst.com
Travis Magers	travis.magers@trgcc.com
Doug Myers	doug.myers@trgcc.com
Issac O'Hare	proposal@redcedar.com, isaac.ohare@pentacon-llc.com, isaac.ohare@c3-llc.com, proposal@c3-llc.com, isaac.ohare@trgcc.com
Shane Packard	proposal@c3-llc.com
Tony Yanda	tony.yanda@redcedarconst.com, tony.yanda@c3-llc.com
Jay Warren	jay.warren@trgcc.com

16. In its August 27, 2014, protest, Southwind also demonstrated that many of the TRG employees noted above appeared on behalf of PentaCon, Red Cedar and C3 at pre-bid and other job-site meetings on numerous solicitations. A few examples are noted below in paragraphs 17 – 35. There are undoubtedly more instances of TRG employees acting on behalf of Defendants, about which Southwind is presently unaware. Whether or not a contract or task order was actually awarded by the Government, Red Cedar, PentaCon, and C3 falsely certified to the Government that they were legitimate small business concerns,

eligible to receive the contracts and task orders on which they had submitted bids and/or proposals. Such certifications were made under the direct influence and direction of TRG and/or one or more of John Does 1-5 .

**CONTRACTS, TASK ORDERS & SOLICITATIONS
INVOLVING PENTACON AND TRG:**

17. **W9126G-14-R-0064, VOLAR Barraks Renovation, Fort Polk, LA:** This design-build solicitation was designated in June, 2014, as a 100% small business set aside, utilizing a two phase bidding process. On or about August 12, 2014, PentaCon was selected as one of the contractors to bid on phase two. PentaCon did not send an employee to the pre-bid conference scheduled for August 14, 2014. Instead, Jay Warren, a TRG employee appeared on behalf of PentaCon.

18. **W912DQ-14-R-4010-0001, Building 500 Renovations, Ft. Riley, KS:** A solicitation for this HUBZone contract was issued by the Government in or about April, 2014. The seed task order was issued in July, 2014, with proposals due in August, 2014, from bidders selected for phase two. On August 12, 2014, Jacob Bixby an employee of TRG signed in at a pre-proposal site visit. Apparently, nobody from PentaCon attended the site visit. Thereafter, Isaac O'Hare posted the task order on "smartbid," identifying himself as the project manager with the e-mail address, "isaac.ohare@pentacon-llc.com." However, Mr. O'Hare actually works for TRG with the e-mail address, "isaac.ohare@trgcc.com."

19. **W9127S-14-R-6019, C-130J Flight Simulator Addition, Little Rock AFB, AR:** This solicitation was designated in July, 2014, as a small business set aside, with a site

visit for prospective bidders scheduled on July 17, 2014. Signing in on behalf of PentaCon was a person named Thom Cole, with an e-mail address, "thom.cole@pentacon-llc.com." In reality, Mr. Cole is an assistant project manager for TRG. Mr. Cole listed this project on his LinkedIn page as belonging to TRG.

20. **KC46A Flight Simulator Buildings, McConnell AFB, KS:** TRG employee Eli Haskett used TRG's "smartbid" program to send electronic solicitations to prospective subcontractors. Mr. Haskett and Tracey Hembree are identified as POCs (points of contact) for the task order, using the following e-mail addresses: "proposal@pentacon-llc.com" and "eli.haskett@trgcc.com," respectively.

21. **KC46A Pipeline Student Dorm, McConnell AFB, KS:** As with the other KC46 McConnell AFB task order, above, Eli Haskett used TRG's "smartbid" program to send electronic solicitations to prospective subcontractors. However, this time, Mr. Haskett used both the PentaCon e-mail address associated with Ms. Hembree, "proposal@pentacon-llc.com," as well as his own personalized address with TRG, "eli.haskett@trgcc.com."

22. **Solicitation No. W912DQ-14-R-4034:** This was a total small business set-aside contract for construction services by the U.S. Army Corps of Engineers, Kansas City District in which PentaCon utilized TRG employees and resources for bidding purposes.

23. **Solicitation No. W9126G-13-R-0089:** This was an IDIQ MATOC for construction services set aside for qualified HUBZone small businesses by the U.S. Army

Corps of Engineers, Ft. Worth District, in which PentaCon utilized TRG employees and other resources.

**CONTRACTS, TASK ORDERS & SOLICITATIONS
INVOLVING C3 AND TRG:**

24. **W912BV-14-R-0067, Bldg. 5030 Repairs and Renovation, Ft. Sill, Oklahoma:** This design-build, MATOC IDIQ was set aside for small businesses, utilizing a two step bidding process. As with Red Cedar and PentaCon, TRG's "smartbid" program is being used to obtain subcontractor pricing for the seed project. Once again, TRG employee Eli Haskett is soliciting bids from prospective subcontractors. He is also designated as the POC with the e-mail address, "proposal@c3-llc.com." Mr. Haskett is also using his personalized e-mail address with TRG, "eli.haskett@trgcc.com," when soliciting subcontractor bids for this MATOC contract.

25. **Replace Cooling Systems, Bldg. 156, Altus AFB, Oklahoma:** C3 used TRG's "smartbid" program to solicit subcontractor quotes for this task order. The person soliciting bids, Issac O'Hare, was designated as the POC with the e-mail address, "proposal@c3-llc.com." Mr. O'Hare is an employee of TRG. Mr. O'Hare has done the same thing several times on behalf of Red Cedar and PentaCon.

26. **Hangar 435 Fire Alarm Repair, Altus AFB, Oklahoma:** Mr. O'Hare used both an e-mail address for C3, "proposal@c3-llc.com," as well as his personalized e-mail address with TRG, "isaac.ohare@trgcc.com," when soliciting subcontractor bids for this task order.

27. **Replace Base Water Main, Phase 3, Altus AFB, Oklahoma:** Mr. O'Hare was designated as project manager for this C3 task order, and used the "smartbid" system and his personalized TRG e-mail address, "isaac.ohare@trgcc.com," when soliciting subcontractor bids.

28. **Replace A/C Units, B/1712, Altus AFB, Oklahoma (MACC):** Mr. O'Hare was designated as project manager for this C3 task order, and used TRG's "smartbid" system when soliciting subcontractor bids. This time, however, he used a personalized e-mail address with C3, "isaac.ohare@c3-llc.com." Of note, Mr. O'Hare's phone number remains the same whether he uses e-mail addresses for C3, PentaCon, TRG, or Red Cedar.

**CONTRACTS, TASK ORDERS & SOLICITATIONS
INVOLVING RED CEDAR AND TRG:**

29. **W912BV-13-D-0011, AFR B1030 Repair Maintenance Tinker AFB:** This 8(a) contract was awarded to Red Cedar in 2013, and it received several delivery orders that year and in 2014. TRG employee, John Hoggatt, utilized TRG's "smartbid" system to solicit subcontractor bids for Red Cedar, even though Troy Littleaxe was actually identified as an additional POC. Mr. Littleaxe's email address was listed as, "proposal@redcedarconst.com." Despite being a TRG employee with the personalized e-mail address, "john.hoggatt@trgcc.com," Mr. Hoggatt used a different e-mail address, "john.hoggatt@redcedarconst.com," when handling Red Cedar's business.

30. **W912BV-13-D-0011-0003, MCAAP Phase II Cutting Booths:** This 8(a) contract was awarded to Red Cedar in 2013, and it received several delivery orders that year

and in 2014. Eli Haskett, an estimator employed by TRG, utilized TRG's "smartbid" system to solicit subcontractor pricing for Red Cedar. Moreover, TRG employees, Michael Cheney and Jonathan Drum, directly corresponded with prospective subcontractors representing that they work for Red Cedar when, in fact, they are employees of TRG.

31. **HDTRA-2-14-R-0001, R&D Test Article Construction Services:** A solicitation was issued on this 8(a) set aside contract in or about December, 2013. Mr. Haskett signed in at the pre-proposal conference, identifying himself as a Red Cedar employee, and using the e-mail address, "proposal@redcedarconst.com," but a phone number registered to TRG, (918) 660-4636. Mr. Haskett is a TRG employee.

32. **W912BV-14-R-0005, SATOC 8(a) TAFB BCE B9201 Roof Repair:** Red Cedar was one of the prospective bidders for this 8(a) set aside contract. Instead of sending a Red Cedar employee to attend the pre-bid conference, Tommy Shara, a project manager employed by TRG, signed in on behalf of Red Cedar. TRG actively solicited bids from prospective subcontractors by posting information and identifying TRG employee Eli Haskett as the POC.

33. **N40083-13-R-0004, P-136 TACAMO E6-B Hangar at TINKER AFB:** A solicitation was issued on this small business set aside contract in October, 2013. TRG had several employees attend the pre-proposal conference, including Eli Haskett, Michael Cheney, Travis Magers and Jon Drum. Red Cedar did not attend the conference. Subsequently, Mr. Haskett, ostensibly acting on behalf of Red Cedar, actively solicited

subcontractor bids using TRG's "smart bid" program. Moreover, Mr. Cheney and Mr. Drum have actively solicited subcontractors on other solicitations, holding themselves out as employees of Red Cedar, and using Red Cedar's e-mail addresses when, in fact, they are actually employed by TRG.

34. **W912BV-11-D-0020, B3904 NAF CDC Upgrade:** This 8(a) contract was awarded to Red Cedar in or about April, 2014, with an estimated completion date in 2015. The work is being performed at Tinker AFB, Oklahoma. Because Southwind also performs work at Tinker AFB, Southwind employees have occasion to communicate and correspond directly with Red Cedar in an effort to avoid potential conflicts. Doug Myers holds himself out as Red Cedar's quality control manager and superintendent; John Hoggatt claims to be Red Cedar's project manager. Mr. Myers and Mr. Hoggatt are TRG employees. Moreover, Mr. Hoggatt uses both TRG and Red Cedar e-mail addresses. Likewise, in a past performance questionnaire submitted to Southwind by one of its subcontractors, Tony Yanda and Nate Ahlberg were identified as Red Cedar's POCs. Mr. Yanda and Mr. Ahlberg are actually employed by TRG, and have even held themselves out as representing C3.

35. **W9126G-14-U-1513, AASF Major Maintenance, Grand Prairie, Texas:** Like the other contracts/task orders identified above, Red Cedar is completely dependent upon TRG to perform this 8(a) MATOC contract. On August 7, 2014, Jay Warren signed in at a site visit conference as a representative of TRG. Red Cedar did not attend the conference. Afterward, on August 14, 2014, solicitations to potential subcontractors were

sent via TRG's "smartbid" program by Brian Beck, who is listed as project manager with the e-mail address, "proposal@redcedarconst.com" -- the same address utilized by Eli Haskett, Troy Littleaxe and John Hoggatt. In the same solicitation, Mr. Beck identifies himself as a TRG employee, using his personalized TRG email address, "brian.beck@trgcc.com." Mr. Beck describes himself on his LinkedIn page as a TRG project manager, "experienced with small business proposals for the Small Business Administration 8(a) programs."

**GENERAL ALLEGATIONS AGAINST
RED CEDAR, PENTA CON, C3 AND TRG**

36. In order to obtain contracts set aside for legitimate, small and disadvantaged businesses, concerns are required to "self-certify" with the Government in a system now known as the "System for Award Management" ("SAM").¹ At the direction of TRG and one or more of John Does 1-5, PentaCon, Red Cedar and C3 have all self-certified as small business concerns, eligible to receive contracts set aside for legitimate, small and disadvantaged businesses. Because of the affiliation between the Defendants, the certifications, representations, records, and statements made by PentaCon, Red Cedar and C3 in order to receive contracts and payments from the Government are false and fraudulent, and were made with the knowledge of their falsity; in deliberate ignorance of their falsity; and/or in reckless disregard of their falsity. Moreover, for each specific solicitation, including those for task orders issued under multiple award contracts, Defendants, under the direct control

¹ In years past, the Government utilized a system known as "Online Representations and Certifications Application" ("ORCA").

and supervision of TRG and one or more of John Does 1-5, have provided the same false certifications, representations, records, and statements to the Government, to the effect they were eligible to receive said contracts and task orders and payments thereunder, representing themselves as legitimate, small and disadvantaged businesses, when in fact, they were not in light of their affiliation with TRG.

37. Defendants are completely dependent upon TRG for bidding, prosecuting and managing work, oftentimes using the same employees for the same tasks, on numerous solicitations, and have done so for many years. Defendants are nothing more than front companies utilized by TRG to obtain contracts set aside for legitimate small and other disadvantaged concerns and to illegally obtain payments from the Government.

38. Defendants are participating in a scheme to defraud the Government and U.S. Taxpayers by virtue of the fact that they are being used by TRG to bid on and obtain contracts set aside for legitimate, small and disadvantaged business concerns.

39. TRG is the one that actually prepares the bids and/or proposals of Defendants, and performs the work, if awarded, for those companies.

40. Defendants do not possess the financial resources, or sufficient management, laborers, equipment, or other resources, to perform construction work as a general contractor on any of the contracts they have bid on and/or received from the Government. Instead, all of the bidding and performance of any work awarded is handled by TRG, utilizing TRG manpower, management, equipment, bonding, and financial resources.

41. In addition to falsely certifying themselves as small, either in the SAM or ORCA databases, or with regard to the specific solicitations for contracts or task orders under multiple award contracts, PentaCon falsely represented to the SBA that it would no longer hold itself out as small, when in fact, it has and continues to obtain contracts by falsely certifying itself as a small business concern. Likewise, although Red Cedar has represented to the SBA that it is no longer affiliated with TRG, it in fact continues to receive and perform work under the direct control and supervision of TRG and one or more of John Does 1-5. Moreover, Southwind states, upon information and belief, that TRG and/or John Does 1-5, in addition to being active participants and co-conspirators in violating the Act, also receive the benefits of the contracts and task orders illegally obtained by Defendants by acting and receiving payment as a subcontractor to and/or joint venturer with the Defendants.

42. Southwind further states, upon information and belief, that the SBA has recently determined that TRG and PentaCon are, in fact, generally affiliated with each other, based on the control and other factors described herein. The SBA's decision in that regard has become final and conclusive, and is binding upon TRG, PentaCon and those in privity with TRG or PentaCon.

COUNT I – FALSE CLAIMS ACT

43. Southwind incorporates and re-alleges all of the foregoing, numbered paragraphs.

44. Based on the conduct described herein, Defendants have knowingly presented, or caused to be presented, false or fraudulent claims for payment to or approval by the Government; and, they have knowingly made, used, or caused to be made or used, false certifications, representations, records or statements in order to submit false or fraudulent claims for payment to the Government. The Defendants have also conspired with each other (and others) to perpetrate the wrongdoing prohibited by the Act.

45. The Government, unaware of the falsity of the certifications, representations, records or statements made and/or provided by Defendants, has paid in excess of \$200 million to Defendants based upon their false or fraudulent claims for payment. A non-exhaustive list of the contracts improperly and unlawfully obtained from the Government by TRG, PentaCon, C3 and Red Cedar are attached hereto as Exhibit 1.

46. The Government, Southwind, U.S. Taxpayers and the general public have been damaged in an amount in excess of \$200 million as a result of Defendants' violations of the Act. Moreover, since none of the mitigating factors found in 31 U.S.C.A. § 3729(a)(2) exist in this case, Defendants are liable for three times the amount of damages sustained by the Government, a civil penalty, and the costs of this action as provided in the Act.

COUNT II – RICO 18 U.S.C. §§ 1962(c), 1964(c)

47. Southwind incorporates and re-alleges all of the foregoing, numbered paragraphs.

48. Defendants, through their joint efforts, formed an enterprise. They were associated with, operated, managed, and participated in the conduct and affairs of the enterprise. The purpose of Defendants' enterprise was to utilize companies to bid on and obtain contracts set aside for legitimate, small and disadvantaged businesses under the Small Business Act and regulations promulgated by the SBA. In reality, TRG was the entity that put together the bids and/or proposals and actually performed the work, when awarded, under contracts issued to Defendants. TRG is not eligible to bid on or receive any of the contracts that were awarded to PentaCon, C3, Red Cedar and John Does 1-5 .

49. Defendants used their enterprise to engage in a pattern of racketeering activities. The enterprise created by Defendants was nothing more than a scheme or artifice to defraud the Government, which they accomplished by use of the mail and wires (internet), as defined by 18 U.S.C. §§ 1341 and 1343.

50. Defendants' actions and conduct affect interstate commerce.

51. As a direct and proximate result of Defendants' violation of 18 U.S.C. §§ 1962(c) and 1964(c), the Government and Southwind have been harmed; Southwind by virtue of the fact that it expended thousands of dollars in having to challenge, administratively, ostensible awards to Defendants concerning contracts they were not qualified to receive and/or solicitations on which they were ineligible to bid; and the Government and U.S. Taxpayers by virtue of the fact that the Government awarded in excess of \$200 million to Defendants on contracts they were not eligible to receive. A non-

exhaustive list of the contracts improperly and unlawfully obtained by TRG, PentaCon, C3 and Red Cedar are attached hereto as Exhibit 1.

52. Defendants are liable for treble damages, costs of suit, and a reasonable attorney's fee for their RICO violations, in addition to all other damages, costs, expenses, and fees, suffered by the Government and Southwind.

**COUNT III – CONSPIRACY UNDER
THE ACT, RICO AND COMMON LAW**

53. Southwind incorporates and re-alleges all of the foregoing, numbered paragraphs.

54. Defendants engaged in a pattern and practice, or meeting of the minds, to achieve an overall objective of executing a scheme to defraud the Government and U.S. Taxpayers by falsely certifying Red Cedar, C3, and PentaCon, as legitimate, small or disadvantaged business concerns, all for the purpose of submitting bids and obtaining contracts that would actually be performed by TRG, and under which TRG would receive funds it was otherwise unqualified to receive.

55. Defendants have, in fact, knowingly presented, or caused to be presented, false or fraudulent claims for payment or approval; and, they have knowingly made, used, or caused to be made or used, false certifications, representations, records or statements in order to submit false or fraudulent claims for payment to the Government. The Defendants have obtained from the Government in excess of \$200 million as a result of their conspiracy, as

described more particularly herein. A non-exhaustive list of the contracts improperly and unlawfully obtained by TRG, PentaCon, C3 and Red Cedar are attached hereto as Exhibit 1.

56. As a direct and proximate result of Defendants' common law conspiracy, and conspiracy to violate the Act and RICO, the Government, U.S. Taxpayers and Southwind have suffered injury for which Defendants are liable in an amount in excess of \$200 million.

REQUEST FOR RELIEF

WHEREFORE, the United States *ex rel* plaintiff/relator, Southwind Construction Services, LLC, prays for judgment against defendants, The Ross Group Construction Corporation, The Ross Group, LLC, Red Cedar Enterprises, Inc., PentaCon, LLC, C3, LLC, and John Does 1-5, jointly and severally, as follows:

- A. Actual damages in an amount sufficient to cover the reasonable costs and expenses incurred by Southwind in having to bring to the attention of the Government the wrongful conduct of Defendants;
- B. Actual damages amounting to disgorgement of all monies improperly received by Defendants as more particularly set forth herein;
- C. Damages in amount of three times the actual damages suffered by the Government and/or Southwind under the False Claims Act and RICO;
- D. Civil penalties under the False Claims Act and RICO;
- E. A fair and reasonable amount of any award made to Southwind for its contributions to the Government's investigation and recovery pursuant to 31 U.S.C. §§ 3730(b) and (d) of the False Claims Act;

- F. Southwind's attorneys' fees and costs;
- G. Pre- and post-judgment interest; and,
- H. All other relief on behalf of the Government and/or Southwind to which they may be entitled at law or in equity.

Respectfully Submitted,



Robert L. Magrini, OBA #12385

Marvin Laws, OBA #18759

Sarah Brockhaus, OBA #31493

HAYES MAGRINI & GATEWOOD

1220 North Walker Avenue

Oklahoma City, Oklahoma 73103

(405) 235-9922; (405) 235-6611 (fax)

E-Mail: rmagrini@hmglawyers.com

E-Mail: mlaws@hmglawyers.com

E-Mail: sbrockhaus@hmglawyers.com

*Attorneys for Plaintiff/Relator, United States ex
rel Southwind Construction Services, LLC*


CERTIFICATE OF SERVICE

I, Marvin Laws, certify that a true and correct copy of the foregoing was served upon the following, prior to filing, on the 29th day of January, 2015, by hand-delivery:

Mr. Sanford C. Coats
U.S. Attorney for the Western District of Oklahoma
U.S. Attorney's Office
210 West Park Avenue, Suite 400
Oklahoma City, Oklahoma 73102

I further certify that a copy of the foregoing was sent via certified mail, U.S. Postal Service, to the following:

Honorable Eric Holder
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue NW
Washington, D.C. 20530-0001



Marvin Laws